

ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2002

	Month Ended 9/30/2002					Month Ended 8/31/2002				Month Ended 7/31/2002				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Net ROR	Month	Allocation		Policy	Net ROR	Allocation		Policy	Net ROR	Net ROR	Net ROR	Ended 6/30/2002 Net	Ended 6/30/2002 Net
	Market Value	Actual				Market Value	Actual			Market Value	Actual						
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
<i>AllianceBernstein</i>	20,505,017	2.0%	2.3%	-13.56%	-9.13%	22,667,663	2.1%	2.3%	2.33%	22,166,048	2.1%	2.3%	-7.03%	-13.56%	-28.98%	-16.11%	N/A
<i>Russell 1000 Growth</i>				-15.05%	-10.37%				0.30%				-5.50%	-15.05%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																	
<i>LSV</i>	46,409,231	4.6%	4.5%	-18.29%	-11.45%	52,640,573	4.9%	4.5%	0.20%	52,552,206	4.9%	4.5%	-7.91%	-18.29%	2.72%	5.54%	N/A
<i>Russell 1000 Value</i>				-18.77%	-11.12%				0.76%				-9.30%	-18.77%	-8.96%	-4.87%	N/A
<i>Enhanced Russell 1000 Index</i>																	
<i>LA Capital (Wilshire)</i>	44,024,480	4.4%	4.5%	-16.27%	-10.01%	49,145,439	4.5%	4.5%	0.66%	48,848,727	4.5%	4.5%	-7.56%	-16.27%	-17.00%	N/A	N/A
<i>Russell 1000</i>				-16.91%	-10.74%				0.52%				-7.40%	-16.91%	-17.89%	N/A	N/A
<i>Enhanced S&P 500 Index</i>																	
<i>Northern Trust</i>	42,552,156	4.2%	4.5%	-16.71%	-10.52%	47,773,982	4.4%	4.5%	0.66%	47,453,179	4.4%	4.5%	-7.52%	-16.71%	-16.98%	N/A	N/A
<i>Strong</i>	42,278,303	4.2%	4.5%	-16.75%	-11.94%	48,229,944	4.5%	4.5%	0.74%	47,925,087	4.4%	4.5%	-6.15%	-16.75%	-20.23%	N/A	N/A
<i>Westridge</i>	52,967,137	5.3%	4.5%	-17.19%	-10.85%	58,328,296	5.4%	4.5%	0.66%	58,034,192	5.4%	4.5%	-7.72%	-17.19%	-17.54%	N/A	N/A
<i>Total Enhanced S&P 500 Index</i>	137,797,596	13.7%	13.5%	-16.88%	-11.09%	154,332,222	14.3%	13.5%	0.68%	153,412,459	14.2%	13.5%	-7.14%	-16.88%	-18.23%	N/A	N/A
<i>S&P 500</i>				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.98%	N/A	N/A
<i>S&P 500 Index</i>																	
<i>State Street</i>	47,996,287	4.8%	5.3%	-17.26%	-10.86%	54,103,835	5.0%	5.3%	0.66%	53,748,989	5.0%	5.3%	-7.78%	-17.26%	-17.96%	-9.14%	3.67%
<i>S&P 500</i>				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.98%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	296,732,611	29.5%	30.0%	-16.78%	-10.82%	332,889,733	30.8%	30.0%	0.72%	330,728,429	30.6%	30.0%	-7.35%	-16.78%	-17.13%	-9.48%	2.68%
<i>S&P 500</i>				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.98%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
<i>SEI</i>	95,770,485	9.5%	10.0%	-19.10%	-7.06%	103,611,857	9.6%	10.0%	0.88%	103,156,053	9.6%	10.0%	-13.72%	-19.10%	-11.87%	N/A	N/A
<i>Russell 2000 + 200bp</i>				-20.90%	-7.01%				-0.08%				-14.93%	-20.90%	-6.68%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	95,770,485	9.5%	10.0%	-19.10%	-7.06%	103,611,857	9.6%	10.0%	0.88%	103,156,053	9.6%	10.0%	-13.72%	-19.10%	-11.87%	1.18%	1.95%
<i>Russell 2000</i>				-21.40%	-7.18%				-0.25%				-15.10%	-21.40%	-8.59%	1.67%	4.44%
INTERNATIONAL EQUITY																	
<i>Large Cap - Core</i>																	
<i>State Street</i>	34,143,227	3.4%	4.0%	-19.99%	-10.86%	38,355,209	3.5%	4.0%	-0.59%	38,573,914	3.6%	4.0%	-9.69%	-19.99%	-11.74%	-6.76%	-2.26%
<i>MSCI EAFE - 50% Hedged</i>				-20.02%	-10.88%				-0.24%				-10.04%	-20.02%	-14.62%	-5.75%	0.27%
<i>Large Cap - Active</i>																	
<i>Capital Guardian</i>	89,027,456	8.8%	10.0%	-21.50%	-10.70%	99,810,895	9.2%	10.0%	-1.69%	101,607,396	9.4%	10.0%	-10.59%	-21.50%	-13.17%	-1.00%	5.76%
<i>Bank of Ireland</i>	19,262,251	1.9%	2.0%	-21.60%	-12.14%	21,942,831	2.0%	2.0%	-0.77%	22,143,186	2.1%	2.0%	-10.07%	-21.60%	N/A	N/A	N/A
Total Large Cap - Active	108,289,707	10.8%	12.0%	-21.51%	-10.96%	121,753,725	11.3%	12.0%	-1.52%	123,750,581	11.5%	12.0%	-10.49%	-21.51%	-12.19%	-0.63%	6.00%
<i>MSCI EAFE - 50% Hedged</i>				-20.02%	-10.88%				-0.24%				-10.04%	-20.02%	-14.62%	-5.75%	0.27%
<i>Small Cap - Active</i>																	
<i>Lazard</i>	21,591,198	2.1%	2.0%	-17.39%	-8.39%	23,587,471	2.2%	2.0%	-1.45%	23,966,653	2.2%	2.0%	-8.49%	-17.39%	N/A	N/A	N/A
<i>Wellington</i>	20,707,908	2.1%	2.0%	-17.35%	-10.01%	23,087,224	2.1%	2.0%	-2.58%	23,679,636	2.2%	2.0%	-5.73%	-17.35%	N/A	N/A	N/A
Total Small Cap - Active	42,299,106	4.2%	4.0%	-17.37%	-9.19%	46,674,694	4.3%	4.0%	-2.01%	47,646,289	4.4%	4.0%	-7.14%	-17.37%	N/A	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				-15.30%	-8.20%				-0.90%				-6.90%	-15.30%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	184,732,040	18.4%	20.0%	-20.31%	-10.53%	206,783,629	19.1%	20.0%	-1.46%	209,970,784	19.4%	20.0%	-9.61%	-20.31%	-10.49%	-2.94%	2.40%
<i>MSCI EAFE - 50% Hedged</i>				-20.02%	-10.88%				-0.24%				-10.04%	-20.02%	-14.62%	-5.75%	0.27%
EMERGING MARKETS EQUITY																	
<i>Capital Guardian</i>	48,261,472	4.8%	5.0%	-16.68%	-10.13%	53,704,300	5.0%	5.0%	2.11%	52,592,463	4.9%	5.0%	-9.20%	-16.68%	-5.69%	-5.69%	-6.04%
<i>MSCI Emerging Markets Free</i>				-16.30%	-10.79%				1.54%				-7.61%	-16.30%	1.30%	-6.34%	-8.42%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
<i>Western Asset</i>	11,090,622	1.1%	1.1%	3.66%	0.75%	11,324,772	1.0%	1.1%	2.68%	12,823,735	1.2%	1.1%	0.22%	3.66%	8.87%	8.93%	8.26%
<i>Lehman Aggregate</i>				4.58%	1.62%				1.69%				1.21%	4.58%	8.62%	8.10%	7.57%
<i>Active Duration</i>																	
<i>Criterion</i>	10,931,445	1.1%	1.1%	2.57%	0.95%	11,139,954	1.0%	1.1%	1.50%	12,762,250	1.2%	1.1%	0.11%	2.57%	6.00%	7.60%	7.09%
<i>Lehman Aggregate</i>				4.58%	1.62%				1.69%				1.21%	4.58%	8.62%	8.10%	7.57%

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	Month Ended 9/30/2002					Month Ended 8/31/2002				Month Ended 7/31/2002				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Month	Net ROR	Allocation		Policy	Net ROR	Allocation		Policy	Net ROR	Net ROR	Net ROR	6/30/2002	6/30/2002
	Market Value	Actual				Market Value	Actual			Market Value	Actual						
Index																	
Bank of ND	13,187,654	1.3%	0.8%	5.96%	2.18%	13,810,895	1.3%	0.7%	2.06%	14,875,230	1.4%	0.7%	1.62%	5.96%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	9,572,281	1.0%	1.0%	1.44%	0.49%	10,948,035	1.0%	1.0%	0.48%	10,983,571	1.0%	1.0%	0.48%	1.44%	5.79%	5.86%	5.90%
Total Index	22,759,935	2.3%	1.8%	4.78%	1.74%	24,758,929	2.3%	1.8%	1.65%	25,858,802	2.4%	1.8%	1.32%	4.78%	9.68%	7.81%	7.47%
Lehman Gov/Corp				5.70%	2.15%				2.24%				1.20%	5.70%	8.24%	7.85%	7.47%
Convertibles																	
TCW	9,817,880	1.0%	1.1%	-9.90%	-4.93%	10,622,160	1.0%	1.1%	2.70%	10,880,173	1.0%	1.1%	-7.73%	-9.90%	-21.20%	-2.06%	N/A
First Boston Convertible Index				-8.56%	-2.99%				0.64%				-6.25%	-8.56%	-12.44%	0.11%	N/A
BBB Average Quality																	
Strong	10,832,203	1.1%	1.1%	0.39%	1.30%	11,000,143	1.0%	1.1%	2.98%	12,109,002	1.1%	1.1%	-3.76%	0.39%	3.16%	6.83%	N/A
Lehman BBB				2.70%	1.43%				3.56%				-2.23%	2.70%	5.85%	4.75%	N/A
Timberland																	
Evergreen (Wachovia)	7,873,179	0.8%	0.8%	-0.22%	-0.07%	8,101,031	0.7%	0.7%	-0.07%	8,514,747	0.8%	0.8%	-0.07%	-0.22%	N/A	N/A	N/A
															N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	73,305,265	7.3%	7.0%	0.71%	0.17%	76,946,990	7.1%	7.0%	1.94%	82,948,709	7.7%	7.0%	-1.37%	0.71%	2.56%	6.70%	6.56%
Lehman Aggregate				4.58%	1.62%				1.69%				1.21%	4.58%	8.62%	8.10%	7.57%
HIGH YIELD BONDS																	
Western Asset	80,966,050	8.0%	7.0%	-3.24%	-1.89%	82,525,738	7.6%	7.0%	2.51%	80,507,087	7.5%	7.0%	-3.79%	-3.24%	-6.08%	-3.89%	4.16%
Lehman High Yield Bond Index				-2.93%	-1.31%				2.85%				-4.37%	-2.93%	-3.60%	-2.31%	0.68%
INTERNATIONAL FIXED INCOME																	
International Core																	
UBS Global (Brinson)	58,388,782	5.8%	5.0%	2.39%	0.59%	64,060,695	5.9%	5.0%	1.49%	68,625,486	6.4%	5.0%	0.30%	2.39%	16.83%	2.39%	2.43%
Salomon Brothers Non-US Gov't Bond Index				2.84%	0.61%				1.63%				0.57%	2.84%	15.72%	3.14%	3.03%
REAL ESTATE																	
JMB	1,034,424			1.94%	0.89%	1,025,255			0.57%	1,047,291			0.46%	1.94%	0.92%	1.25%	7.60%
INVESCO	61,479,744			3.78%	1.56%	61,031,341			0.72%	60,862,067			1.46%	3.78%	2.61%	7.70%	N/A
J.P. Morgan	45,423,753			1.64%	0.37%	45,256,322			0.52%	45,022,775			0.75%	1.64%	4.10%	9.60%	11.72%
TOTAL REAL ESTATE	107,937,921	10.7%	9.0%	2.78%	1.01%	107,312,919	9.9%	9.0%	0.63%	106,932,134	9.9%	9.0%	1.12%	2.78%	3.35%	8.64%	9.66%
NCREIF TOTAL INDEX				1.70%	0.56%				0.56%				0.55%	1.70%	6.79%	9.41%	11.96%
ALTERNATIVE INVESTMENTS																	
Brinson IVCF III	1,804,611			7.46%	4.60%	1,725,300			0.00%	1,725,353			2.74%	7.46%	61.30%	112.32%	65.03%
Coral Partners V	10,994,013			-17.47%	0.00%	11,113,347			0.00%	11,154,804			-17.47%	-17.47%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	767,748			-14.17%	0.00%	776,081			0.00%	778,976			-14.17%	-14.17%	N/A	N/A	N/A
Coral Partners VI	635,965			N/A	N/A	642,868			N/A	645,266			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	2,244,859			-3.97%	-3.97%	2,363,117			0.00%	2,371,933			0.00%	-3.97%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	2,536,763			-4.67%	-4.67%	2,689,861			0.00%	2,699,895			0.00%	-4.67%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	3,318,861			-6.93%	-6.93%	3,604,849			0.00%	3,618,296			0.00%	-6.93%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	1,064,380			-1.08%	-1.08%	795,465			0.00%	798,432			0.00%	-1.08%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	717,702			0.15%	0.15%	378,943			0.00%	155,921			0.00%	0.15%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,192,303			12.07%	12.07%	1,008,505			0.00%	1,012,268			0.00%	12.07%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	948,421			7.00%	7.00%	896,030			0.00%	899,372			0.00%	7.00%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	466,207			-1.47%	-1.47%	478,297			0.00%	480,081			0.00%	-1.47%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	364,209			N/A	N/A	190,123			N/A	190,832			N/A	N/A	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	2,971,141			6.90%	6.90%	2,572,955			0.00%	2,582,553			0.00%	6.90%	N/A	N/A	N/A
Brinson BVCF IV	7,204,393			-2.76%	2.70%	6,768,299			2.45%	6,277,334			-7.58%	-2.76%	-29.16%	-17.06%	N/A
Matlin Patterson Global Opportunities	9,539,477			N/A	N/A	8,357,287			N/A	8,388,463			N/A	N/A	N/A	N/A	N/A
InvestAmerica	953,948			0.00%	0.00%	77,144			0.00%	77,432			0.00%	0.00%	N/A	N/A	N/A
Hearststone	4,972,366			11.34%	11.34%	4,514,404			0.00%	4,143,626			0.00%	11.34%	4.99%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS	49,726,227	4.9%	5.0%	-6.40%	1.02%	46,379,921	4.3%	5.0%	0.34%	45,418,284	4.2%	5.0%	-7.66%	-6.40%	-26.09%	10.16%	10.85%
Post Venture Capital Index				-22.64%	-10.01%				-1.69%				-12.55%	-22.64%	-44.30%	-26.03%	-6.83%
CASH EQUIVALENTS																	
Northern Trust STIF/STEP	10,493,259	1.0%	2.0%	0.68%	0.14%	6,238,202	0.6%	2.0%	0.29%	(971,353)	-0.1%	2.0%	0.24%	0.68%	2.29%	4.72%	5.01%
90 Day T-Bill				0.45%	0.16%				0.14%				0.15%	0.45%	2.63%	4.67%	4.84%
TOTAL FUND	1,006,314,110	100.00%	100.00%	-11.98%	-6.48%	1,080,453,983	100.00%	100.00%	0.63%	1,079,908,076	100.00%	100.00%	-6.47%	-11.98%	-8.88%	-1.83%	3.68%
POLICY TARGET BENCHMARK				-13.06%	-7.07%				0.59%				-6.99%	-13.06%	-9.26%	-3.00%	3.29%

NOTE: Monthly returns and market values are preliminary and subject to change.